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18 May 1953

**SUBJECT: Approval and Funding of Fiscal Year 1954 Operations**

1. ID/P, Administration, is formulating a single Clandestine Services procedure for submission, review, and approval of FI, FP, and PM projects. The Comptroller, CIA, is undertaking to standardize allotment procedures for all Clandestine Services projects, and one feature of this standardization will be the placement of all FI projects on a fiscal rather than calendar year basis, as is now the case with FP and PM projects. This move will be made to conform with law and Bureau of the Budget regulations. In the near future we can expect a single project procedure to emerge which will be in line with the new operational programming procedure.

2. Pending advent of the new procedure, the following will govern approval and funding of IS operations for fiscal year 1954:

- a) A consolidation of IS operational program will be submitted shortly to the Senior Staffs and the ID/P Board for consideration. This program would specify all FI, FP, and PM requirements and request approval and funds to carry out these operations during the year. The program will be considered by the ID/P Review Board and submitted to DCI for approval sometime in June.
- b) Approval of the program will constitute automatic renewal of all continuing FP and PM projects and FP and PM portions of joint projects. First quarter allotments of fiscal year 1954 funds to these projects will then be contingent only upon Congressional action on CIA's fiscal year 1954 budget.
- c) FI projects will be resubmitted individually for FI staff review before final approval and funding. IS will submit FP and PM project outlines during fiscal year 1954 only to begin new projects, to change the fundamental objectives of continuing projects, or to obtain release of funds included in the program on a contingency basis.

c) If the program is not approved by the DCI before 1 July and Congress has appropriated fiscal year 1954 funds to CIA, the Comptroller will make first quarter allotments to continuing TP and PI projects on the basis of fiscal year 1954 program requests and current project needs. No continuing project will be suspended for lack of funds while its renewal is pending.

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Chief, SA/Administrative Staff